Imposition of tax on perquisites

2528. DR. ALLADI P. RAJKUMAR:
SHRI K.M. KHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to tax perquisites like rent free accommodation, car travel, club membership, credit cards and daily free meals exceeding Rs. 50/- of the employees of the companies;

(b) if so, what will be the rate of interest and by when it will come into force; and

(c) if so, when a final decision in this regard is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) The perquisites by way of rent free accommodation, car travel or other benefits or amenities have always been taxable. Following the budget announcements, the Government proposes to amend the rules of valuation of such perquisites and to specify certain other benefits or amenities not hitherto specified.

(b) Final Rules for valuation of perquisites including the rate of interest on concessional loans are proposed to be notified shortly.

(c) A final decision in this regard is likely to be taken before 31st August, 2001.

Representation of cement manufacturers' association of Kutch region

2529. SHRI RAVI SHANKAR PRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received any letter from the cement manufacturers' association to review the decision taken in view of the Prime Minister's recent announcement of a five year excise and sales tax exemption for cement industry in the *Kutch* region;

(b) if so, the contentions put forward to the association for reviewing the decision; and

(c) Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) No, Sir.

(b) and (c) Do not arise in view of (a) above.